LEGISLATURE OF THE STATE OF IDAHO

Sixty-third Legislature

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First Regular Session - 2015

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 315

BY WAYS AND MEANS COMMITTEE

AN ACT

RELATING TO INFORMATION TECHNOLOGY SYSTEMS; AMENDING TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 92, TITLE 67, IDAHO CODE, TO PROVIDE A SHORT TITLE, TO PROVIDE FOR PURPOSE AND INTENT, TO PROVIDE DEFINITIONS, TO ESTABLISH THE EDUCATION OPPORTUNITY NETWORK BOARD AND TO PROVIDE FOR BOARD DUTIES, CERTAIN REQUIREMENTS, BOARD MEMBERSHIP AND BOARD OF-FICERS, TO PROVIDE THAT THE EDUCATION OPPORTUNITY NETWORK BOARD SHALL BE A GOVERNMENTAL ENTITY AND TO ESTABLISH PROVISIONS RELATING TO SUCH, TO ESTABLISH CERTAIN POWERS AND AUTHORITY OF THE BOARD, TO ESTABLISH PROVISIONS RELATING TO ASSISTANCE TO SCHOOL DISTRICTS, TO ESTABLISH AN OVERSIGHT COMMITTEE AND PROVISIONS RELATING TO THE OVERSIGHT COMMIT-TEE, TO ESTABLISH AN INTERIM WORKING GROUP AND TO ESTABLISH PROVISIONS RELATING TO THE WORKING GROUP, TO PROVIDE REPORTING REQUIREMENTS AND TO PROVIDE FOR HONORARIUM; REPEALING SECTION 67-5745D, IDAHO CODE, RELAT-ING TO THE IDAHO EDUCATION NETWORK; REPEALING SECTION 67-5745E, IDAHO CODE, RELATING TO THE IDAHO EDUCATION NETWORK PROGRAM AND RESOURCE AD-VISORY COUNCIL; PROVIDING SEVERABILITY; AND DECLARING AN EMERGENCY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW CHAPTER</u>, to be known and designated as Chapter 92, Title 67, Idaho Code, and to read as follows:

22 CHAPTER 92 23 STATE OPPORTUNITY NETWORK ACT

67-9201. SHORT TITLE. This chapter shall be known and may be cited as the "State Opportunity Network Act."

67-9202. PURPOSE AND INTENT. The purpose of this act is to both establish a statewide information system that meets the needs of Idaho's education system and to create a separate statewide network for Idaho's state agencies and other public interests. First, in regard to the needs of Idaho's public education system, the legislature finds that Idaho benefits from a statewide information system network that is dedicated to education, particularly schools and libraries, and that such network must be implemented for the 2016-2017 school year. The legislature therefore creates herein the education opportunity network board, which is charged with implementing a statewide network for education. Secondly and separately, the legislature further finds that Idaho will benefit from a statewide coordinated information and technology network that provides an interconnected network for Idaho's state agencies and other public interests including, but not limited to, commerce and industry, labor, economic development, health care and resources, local government and other functions of state

government. The legislature therefore creates herein a working group to collaborate with stakeholders to develop and implement a comprehensive, coordinated statewide information system.

- 67-9202A. DEFINITIONS. (1) The education opportunity network (EON) is defined as the coordinated, statewide information technology system designed to provide a wide variety of communications, electronic information applications and other technologies including, but not limited to, high-bandwidth connectivity for the state's public K-12 education system, libraries, and any other E-rate eligible services as defined by the federal communications commission.
- (2) The Idaho opportunity network (ION) is defined as the statewide coordinated information technology network for state agencies and other public interests including, but not limited to, commerce and industry, labor, economic development, health care and health care-related resources, local government and other functions of state government. The Idaho opportunity network shall be separate and apart from the education opportunity network and shall not provide services to the state's public K-12 education system, libraries and other E-rate eligible entities.
- (3) The term "school district" shall also include Idaho public charter schools.
- 67-9203. EDUCATION OPPORTUNITY NETWORK BOARD -- CREATION AND DUTIES -- MEMBERSHIP -- OFFICERS. (1) There is hereby created the education opportunity network board, hereafter referred to as the board. The board, as provided for in this chapter, is not a single department of state government unto itself, nor is it a part of any of the twenty (20) departments of state government authorized by section 20, article IV, of the constitution of the state of Idaho, or of the departments prescribed in section 67-2402, Idaho Code. It is legislative intent that the board operate and be recognized not as a state agency or department, but as a governmental entity whose creation has been authorized by the state, in the manner as other single purpose districts.
- (2) The education opportunity network board shall implement the education opportunity network for public schools, K-12, libraries and any other E-rate eligible services. The board shall ensure that such network is operational by July 1, 2016. The board shall ensure that filings for E-rate funding for the network are completed and filed with appropriate authorities and in a timely fashion in order to qualify for E-rate funding consideration for fiscal year 2017. No school district shall be required to participate in a statewide network implemented by the board.
 - (3) The board shall consist of eight (8) members:
 - (a) One (1) member shall be the superintendent of public instruction or the superintendent's designee;
 - (b) One (1) member shall be the president of the state board of education or the president's designee;
 - (c) One (1) member shall be a school district superintendent from a school district with five thousand (5,000) or more students enrolled, appointed by the governor from a list of three (3) candidates submitted to the governor by the Idaho association of school administrators;

- (d) One (1) member shall be a school district superintendent from a school district with less than one thousand (1,000) students enrolled, appointed by the governor from a list of three (3) candidates submitted to the governor by the Idaho association of school administrators;
- (e) One (1) member shall be the president of the Idaho education technology association or the president's designee;
- (f) One (1) member shall be the state librarian or the state librarian's designee;
- (g) One (1) member shall be a board member of the Idaho education technology association, appointed by the president of the Idaho education technology association; and
- (h) One (1) member shall be the state controller or the state controller's designee.

The board shall elect a chairman and a vice-chairman, who shall each hold such position for two (2) year terms and who may be reelected. Members of the board shall hold office for four (4) year terms. Vacancies shall be filled by the superintendent of public instruction for the remaining term.

- (4) The board shall meet at least once every two (2) months.
- (5) The board shall work with appropriate entities to develop, coordinate and implement the education opportunity network in a manner consistent with the provisions of this chapter and may exercise the powers and authority conferred by this chapter.
- (6) All meetings of the board shall be held in accordance with the open meeting laws of this state, shall be held in an open public forum, and every reasonable effort shall be made to make such meetings televised or streamed in video and audio format.
- (7) The board shall contract for an annual audit of the board by an independent third party and shall accept requests for proposal to bid on such contract.
- (8) The board shall hire a chief executive officer, who shall serve at the pleasure of the board. The board shall set the chief executive officer's salary and shall annually conduct a performance review of the chief executive officer.
- 67-9203A. GOVERNMENTAL ENTITY -- LIABILITY -- INSURANCE. (1) The education opportunity network board shall be a governmental entity as provided in section 67-9203, Idaho Code. For the purposes of section 59-1302(15), Idaho Code, the education opportunity network board shall be deemed a governmental entity. Pursuant to the provisions of section 63-36220, Idaho Code, sales to or purchases by the education opportunity network board are exempt from payment of the sales and use tax. The education opportunity network board and its employees are subject to the following provisions:
 - (a) Sections 18-1351 through 18-1362, Idaho Code, on bribery and corrupt influence;
 - (b) Chapter 2, title 59, Idaho Code, on prohibitions against contracts with officers;
 - (c) Chapter 7, title 59, Idaho Code, on ethics in government;
 - (d) Chapter 23, title 67, Idaho Code, on open public meetings; and
 - (e) Chapter 3, title 9, Idaho Code, on disclosure of public records.

- (2) The education opportunity network board may sue or be sued, purchase, receive, hold and convey real and personal property for purposes consistent with this chapter, and its employees, members and officers shall enjoy the immunities and protections provided by chapter 9, title 6, Idaho Code.
- (3) The education opportunity network board shall secure insurance for liability and property loss.
 - (4) It shall be unlawful for:

- (a) Any board member to have pecuniary interest directly or indirectly in any contract or other transaction pertaining to the maintenance or conduct of the board, or to accept any reward or compensation for services rendered as a board member except as may be otherwise provided in this subsection. No contract or agreement for services or goods under the purview of the board may be entered into by a board member or a person related to a board member by blood or marriage within the second degree of consanguinity. The receiving, soliciting or acceptance of moneys of the board for deposit in any bank or trust company, or the lending of moneys by any bank or trust company to the board, shall not be deemed to be a contract pertaining to the maintenance or conduct of the education opportunity network or the board within the meaning of this section; nor shall the payment of compensation by the board to any bank or trust company for services rendered in the transaction of any banking business with the board be deemed the payment of any reward or compensation to any officer or director of any such bank or trust company within the meaning of this section.
- (b) The board or members of the board to enter into or execute any contract with the spouse of any member of such board, the terms of which said contract require, or will require, the payment or delivery of any education opportunity network funds, moneys or property to such spouse, except as provided in section 18-1361 or 18-1361A, Idaho Code.
- (5) When any relative of any board member, or relative of the spouse of a board member related by affinity or consanguinity within the second degree, is to be considered for employment by the board, such board member shall abstain from voting in the election of such relative and shall be absent from the meeting while such employment is being considered and determined.
- (6) The state of Idaho shall not be liable for any obligations of the board.
- (7) No member of the board shall be liable, and no cause of action of any nature may arise against them, for any act or omission related to the performance of their powers and duties under this chapter, unless such act or omission constitutes willful or wanton misconduct. The board may provide for indemnification of, and legal representation for, its members.
- 67-9204. POWERS AND AUTHORITY OF THE EDUCATION OPPORTUNITY NETWORK BOARD. (1) In addition to the board's powers and authority provided elsewhere in this chapter, the board shall have the powers and authority to:
 - (a) Perform all duties that are necessary and appropriate to implement the education opportunity network and the provisions of this chapter;
 - (b) Adopt bylaws for the regulation of its affairs and the conduct of its business;

- (c) Take any legal action to recover any amounts lawfully owed to the board or otherwise consistent with this chapter;
- (d) Hire staff or engage the services of persons as it determines is necessary to implement the provisions of this chapter. Such staff or persons may include, but are not limited to, an independent E-rate consultant and legal counsel with experience in federal communications subject matter, or persons with other specialized skills that the board determines are necessary in order to fulfill its responsibilities;
- (e) Pursuant to state purchasing laws, the board may enter into contracts to effectuate and implement the education opportunity network and accept requests for proposals to bid on such contracts; and
- (f) Develop, adopt and implement a plan of operation and other governing documents to fulfill the requirements of this chapter.
- (2) In performing the duties pursuant to this chapter, subject to the availability of funds, the board shall:
 - (a) Coordinate the development and implementation of the education opportunity network;
 - (b) Consider statewide economic development impacts in the design and implementation of the network;
 - (c) Coordinate and support the information technology needs of public education;
 - (d) Pursuant to state purchasing laws, procure high-quality, cost-effective information technologies where necessary to implement the education opportunity network;
 - (e) Pursuant to state purchasing law, procure and implement technology and equipment for the delivery of distance information and distance learning;
 - (f) Establish subcommittees or advisory committees when necessary. Members of the subcommittees shall be selected for their knowledge and experience in the technology necessary for the procurement and/or ongoing operation of the education opportunity network;
 - (g) Work with the private sector, where appropriate, to deliver a high-quality and cost-effective education opportunity network; and
 - (h) Cooperate with public education entities including, but not limited to, the Idaho regional optical network, in implementing the education opportunity network.
- (3) The board shall not have the power to alter its own legal structure. The board shall, however, report to the legislative oversight committee established in section 67-9204B, Idaho Code, annually, no later than September 1 of each year. The board shall notify the legislative oversight committee if it believes legal barriers exist that are obstacles to the successful completion of its responsibilities and duties provided for in this chapter. The board shall also report to the oversight committee where it finds opportunities, not provided for in law, to advance education through technology.
- 67-9204A. ASSISTANCE TO SCHOOL DISTRICTS. (1) The education opportunity network board shall provide technical support for school districts.
 - (2) The board is not authorized to provide legal advice.
 - (3) The board is authorized to collaborate with districts to:

- (a) Negotiate in conjunction with and on behalf of districts with providers for broadband and related services;
- (b) Enter into contracts for broadband and related services on behalf of school districts;
- (c) Enter into a statewide broadband contract that districts may participate in if they so choose; and
- (d) Facilitate other technical services to districts including, but not limited to, E-rate application services, assistance on information technology issues, and assistance on technical issues relating to federal communications commission matters.
- (4) The board is authorized to hire staff to provide technical assistance to school districts as described in this section.
- 67-9204B. BROADBAND NETWORK LEGISLATIVE OVERSIGHT COMMITTEE ESTABLISHED -- ONGOING REVIEW AND REPORT. (1) There is hereby established the broadband network legislative oversight committee. Members of the committee shall include: the chairman of the senate education committee, the chairman of the house education committee, the cochairmen of the joint finance-appropriations committee, or any of their respective designees; two (2) members appointed by the president pro tempore of the senate, and two (2) members appointed by the speaker of the house of representatives. The oversight committee shall consider reports submitted by the education opportunity network board and the interim working group established in section 67-9204C, Idaho Code. The oversight committee shall submit proposed legislation for consideration to the joint finance-appropriations committee and other committees, as necessary, no later than January 31, 2016.
- (2) The education opportunity network board is charged with ongoing review of the implementation of its enabling legislation and the operations of the board itself. The board shall report to the broadband network legislative oversight committee no later than November 1, 2015. Such report shall include recommendations, if necessary, for revisions to the board's enabling legislation, recommendations for changes in board structure, funding levels, staffing issues or other matters that the board determines should be brought to the oversight committee's attention.
- (3) The interim working group, established pursuant to this chapter, shall report to the broadband network legislative oversight committee no later than November 1, 2015. Such report shall include recommendations for legislation to implement the provisions of the Idaho opportunity network defined in section 67-9202A, Idaho Code.
- 67-9204C. INTERIM WORKING GROUP. (1) There is hereby established the Idaho opportunity network interim working group, hereafter referred to as the working group. The working group shall develop proposed legislation to establish and implement the Idaho opportunity network as defined in section 67-9202A, Idaho Code. The working group shall develop proposed legislation for submission, no later than October 1, 2015, to the broadband network legislative oversight committee established pursuant to section 67-9204B, Idaho Code. Such proposed legislation shall provide for the establishment of the Idaho opportunity network as defined in section 67-9202A, Idaho Code. The proposed legislation shall ensure that the Idaho opportunity network is

developed and implemented in an open and transparent fashion and that all services are obtained in compliance with state purchasing laws. Members of the working group shall meet as soon as practicable following the passage and approval of this act.

(2) Members of the working group shall include:

- (a) One (1) member shall be the state controller or the state controller's designee;
- (b) One (1) member shall be the director of the department of health and welfare or the director's designee;
- (c) One (1) member shall be the director of the department of labor or the director's designee;
- (d) One (1) member shall be the director of the Idaho transportation department or the director's designee;
- (e) One (1) member shall be the director of the Idaho state police or the director's designee;
- (f) One (1) member shall be the adjutant general, Idaho military division, or the adjutant general's designee;
- (g) One (1) member shall be the director of the department of commerce or the director's designee;
- (h) One (1) member shall be the president of the state board of education or the president's designee; and
- (i) One (1) member shall be the president of the Idaho education technology association.

The chief executive officer of the education opportunity network board shall serve as a nonvoting ex officio member of the working group.

- (3) The working group shall also review the policy objectives provided for in sections 67-5745, 67-5745A, 67-5745B and 67-5745C, Idaho Code, and shall develop recommendations to strengthen the enforcement of such policy objectives.
- (4) The working group shall meet monthly unless otherwise agreed to by the group.
 - (5) The working group shall select a chairman and vice-chairman.
- (6) The chairman of the working group shall obtain advice from technical advisors and appropriate stakeholders including, but not limited to, the department of homeland security and other appropriate state departments. The working group is authorized to appoint an advisory committee to help with its work. Members of such advisory committee may be persons representing stakeholders and may have technical expertise to aid in the working group's efforts. Members of the advisory committee shall not be eligible for any honorarium or compensation, but shall be eligible for reimbursement of certain actual expenses as provided for in section 67-9206, Idaho Code.
- 67-9205. REPORTING REQUIREMENTS. The education opportunity network board shall submit a written report of its activities and the condition and status of the education opportunity network to the office of the state controller, the governor and the chairman of the senate education committee, the house of representatives education committee and the cochairs of the joint finance-appropriations committee on or before January 31, 2016, and annually on or before each January 31 thereafter. The report shall include

information regarding broadband usage, speed and capability of the network, and how many and what type of entities are using the network.

67-9206. BOARD MEMBERS -- HONORARIUM. Members of the boards and interim working groups authorized pursuant to this chapter shall serve without honorarium or compensation of any kind, but shall be reimbursed for actual and necessary expenses, subject to the limits provided in section 67-2008, Idaho Code.

SECTION 2. That Section 67-5745D, Idaho Code, be, and the same is hereby repealed.

SECTION 3. That Section $\underline{67-5745E}$, Idaho Code, be, and the same is hereby repealed.

SECTION 4. SEVERABILITY. The provisions of this act are hereby declared to be severable and if any provision of this act or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portions of this act.

SECTION 5. An emergency existing therefor, which emergency is hereby declared to exist, Sections 1 and 4 of this act shall be in full force and effect on and after passage and approval. Sections 2 and 3 of this act shall be in full force and effect on and after February 1, 2016.